



## ANNUAL USE OF CAPITAL SURVEY - 2009

## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

COLUMBINE CAPITAL CORP; COLLEGIATE PEAKS BANK

Person to be contacted regarding this report:	HERB ENSLEY
CPP Funds Received:	\$2,260,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	2/27/2009
Date Repaid <sup>1</sup> :	

RSSD: (For Bank Holding Companies)	622756
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	26916
City:	BUENA VISTA
State:	Colorado

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Collegiate Peaks Bank increased its total loan portfolio from \$67 million on 2/27/09 to \$96MM on 12/31/09. This represents a 43% increase. Two new offices in the greater Denver metro area accounted for the majority of the increase.
-------------------------------------	---	---

<input checked="" type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	<p>Closed-end 1-4 Family Residential increased \$5MM, or 56%; Commercial &amp; Industrial loans increased \$14MM, or 117%; and Commercial Real Estate loans increased \$7MM, or 29%. During the same period the Bank's unfunded commitments also increased from \$15MM to \$28MM, or 87%.</p>
<input type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	
<input type="checkbox"/>	<p>Make other investments</p>	
<input checked="" type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>While non-current loans and loan charge-offs remain extremely low, we bolstered the reserves for the rapid loan growth. Since 2/27/09 our reserve balance increased \$231,000. At year-end our coverage ratio was 6.9X and our 2009 provision to net charge-offs was 15.3X.</p>



Reduce borrowings



Increase charge-offs



Purchase another financial institution or  
purchase assets from another financial  
institution



Held as non-leveraged increase to total  
capital

What actions were you able to avoid because of the capital infusion of CPP funds?

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

In 2009, we opened two offices in the Denver market. They include a new, leased office in the Fitzsimons redevelopment area and a building purchased in the Belcaro area on South Colorado Blvd. During the first nine months of the year, the Belcaro office was completely remodeled. The total 2009 capitalized expenditures for the two offices was approximately \$4.1 million.

The addition of the Denver clients prompted us to expand our offering of products and services to accommodate their needs. Those services include cash management products including ACH origination and wire transfer; remote merchant deposit capture; and enhanced internet banking services.

We hired 5 full-time employees at Fitzsimons and 15 full-time employees at Belcaro. The total 2010 salaries for the Denver market is budgeted at just over \$1 million. These employees also participate in a benefits package including vacation/sick time, health insurance, dental insurance, 401K plan, cafeteria plan, etc.

At year-end 2009, the Denver market deposits included 664 accounts, totaling \$36.6 million; and 101 loan accounts, totaling \$40.2 million. As a result, the bank's total footings increased from \$128 million on 2/27/09 to \$168 million on 12/31/09, which is a 31% increase.

The CPP funds helped us to remain "well capitalized", particularly during a period of rapid loan growth. Our 2/27/09 risk based capital ratio was 19.7%, and our year-end 2009 risk based capital ratio was 14.2%. Without the CPP funds, those ratios would have been approximately 16.8% and 12.0%, respectively. Also, with the CPP funding, the bank's legal lending limit increased \$338,000, from \$1,947,000 to \$2,286,000. This increase gave us the ability to loan additional funds to some of our good customers whose loan balances were approaching our legal lending limit.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

A large, empty rectangular box with a thin black border, intended for a response. The box is currently blank, with no text or markings inside.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.